

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHER DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: FIELDWOOD ENERGY LLC, et al.,¹ <p style="text-align: center;">Debtors.</p>	§ § § § § § §	Chapter 11 Case No. 20-33948 (MI) Jointly Administered Re: Docket Nos. 1395 & 1456
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**ENERGY TRANSFER’S OBJECTION TO NOTICE TO
CONTRACT PARTIES TO EXECUTORY CONTRACTS
AND UNEXPIRED LEASES OF THE SCHEDULE OF ASSUMED
CONTRACTS AND CURE AMOUNTS AND RESERVATION OF RIGHTS**

Sea Robin Pipeline Company, LLC, West Cameron Dehydration Company, L.L.C., Florida Gas Transmission, LLC, Stingray Pipeline Company, L.L.C., Trunkline Gas Company, LLC, and Trunkline Field Services LLC (collectively, “Energy Transfer”) hereby file this objection (this “Objection”) to the *Notice to Contract Parties to Executory Contracts and Unexpired Leases of the Schedule of Assumed Contracts and Cure Amounts* (as amended the “Assumption and Cure Notice”) filed by Fieldwood Energy LLC and its affiliates (the “Debtors”) in accordance with the Plan and Amended Disclosure Statement Order.² In supports of its Objection, Energy Transfer states as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

² Capitalized terms used but not defined in this Objection shall have the meanings given them in the Assumption and Cure Notice, Plan, or Disclosure Statement, as applicable.

BACKGROUND

1. On May 26, 2021, the Debtors filed the Plan Supplement, which includes, among other things, the Schedule of Assumed Contracts, attached thereto as Exhibit D. The Plan Supplement also includes the Definitive Documents relating to the Divisive Merger, including Exhibit I-F, Exhibit II-F, and Exhibit III-F to the Agreement and Plan of Merger, which exhibits list the executory contracts and unexpired leases that will be allocated to either FWE I or FWE III. The Assumption and Cure Notice, Exhibit I-F, Exhibit II-F, and Exhibit III-F are collectively referred to herein as the “Schedules.”

2. On May 27, 2021, the Debtors filed the Assumption and Cure Notice, listing a total of 1,884 executory contracts and unexpired leases that the Debtors are intending to assume or assume and assign in connection with their Plan and the Restructuring Transactions, with proposed cure amounts. On June 2, 2021, the Debtors amended the Assumption and Cure Notice to include an additional 40 executory contracts and unexpired leases, for a total of 1,924.

3. According to the Assumption and Cure Notice, the proposed treatment set forth therein is for informational purposes only, and in the event of any conflict between the Assumption and Cure Notice and the Definitive Documents relating to the Divisive Merger, which documents include Exhibit I-F, Exhibit II-F, and Exhibit III-F, the latter shall control. Assumption and Cure Notice, fn. 3.

4. The Assumption and Cure Notice includes over 50 contracts to which Energy Transfer is a party (the “Energy Transfer Contracts”) and proposes a cure amount of zero for all. Over 140 Energy Transfer Contracts are included in Exhibit I-F, over 10 in Exhibit II-F, and over 50 in Exhibit III-F. The Debtors intend to assume or assume and assign a total of over 200 Energy Transfer Contracts.

OBJECTION AND RESERVATION OF RIGHTS

5. Due to the limited time between the filing of the Schedules and the objection deadline, Energy Transfer is unable to complete a thorough review and reconciliation of the Schedules, largely due to the generic descriptions of the Energy Transfer Contracts and the number of duplicate listings contained therein. Accordingly, Energy Transfer files this Objection to reserve its rights while it works with the Debtors to reconcile the Schedules.

6. Based on a limited review of the Assumption and Cure Notice, however, Energy Transfer has reason to believe that the Assumption and Cure Notice contains incorrect cure amounts with respect to a number of its contracts. In particular, Energy Transfer timely filed nine proofs of claims totaling \$231,852.29, which claims arise out of the following contracts:

<u>POC No.</u>	<u>Contract</u>	<u>Total Claim Amount</u>
96	<ul style="list-style-type: none"> Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2666 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2669 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2680 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2681 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2682 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2683 dated December 1, 2013 between Sea Robin Pipeline Company, LLC and Fieldwood Energy LLC 	\$187,555.01

<u>POC No.</u>	<u>Contract</u>	<u>Total Claim Amount</u>
	<ul style="list-style-type: none"> Service Agreement dated February 1, 2008 between Sea Robin Pipeline Company, LLC and Devon Energy Production Company, L.P. for M&R 94124 Eugene Island Block 316A Production, Offshore Louisiana Measurement Services Agreement dated October 20, 1998 between Sea Robin Pipeline, LLC and Equitable Resources Energy Company for Measurement Facilities at South Marsh Island Area, Block 39, Offshore Louisiana Certificate of Analysis No. 2030-16010242-001A dated February 25, 2016 	
102	<ul style="list-style-type: none"> Rate Schedule IT, Interruptible Transportation Service Form of Service Agreement, Contract No. 29561 dated December 1, 2013 between Trunkline Gas and Fieldwood Energy LLC 	\$30,849.48
1	<ul style="list-style-type: none"> Dehydration Agreement, Contract No. 112032, dated November 1, 2006 between West Cameron Dehydration Company, L.L.C. and Coldren Resources, LP (predecessor-in-interest to Bandon Oil and Gas, LP) 	\$2,624.09
100	<ul style="list-style-type: none"> Retrograde Condensate Separation Agreement dated May 1, 2001 between Trunkline Field Services LLC and Fieldwood Energy LLC 	\$1,422.55
10	<ul style="list-style-type: none"> Dehydration Agreement, Contract No. 115638, dated July 30, 2009 between West Cameron Dehydration Company, L.L.C. and XTO Offshore Inc. (predecessor-in-interest to Dynamic Offshore Resources, LLC and Fieldwood Energy Offshore LLC). 	\$9,401.16
8	<ul style="list-style-type: none"> Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2277 dated October 1, 2011 between Sea Robin Pipeline Company, LLC and Dynamic Offshore Resources, LLC (predecessor-in-interest to Fieldwood Energy Offshore LLC) Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2281 dated October 1, 2011 between Sea Robin Pipeline Company, LLC and Dynamic Offshore Resources, LLC (predecessor-in-interest to Fieldwood Energy Offshore LLC) Rate Schedule ITS, Interruptible Transportation Service Form of Service Agreement, Contract No. 2325 dated August 1, 2012 between Sea Robin Pipeline Company, LLC and Dynamic Offshore Resources, LLC (predecessor-in-interest to Fieldwood Energy Offshore LLC) 	Contingent/ unliquidated
9	<ul style="list-style-type: none"> Liquid Hydrocarbons Transportation Agreement, Contract No. 310165, dated November 1, 2012 between Dynamic Offshore Resources, LLC and Stingray Pipeline Company, L.L.C. Providing for Transportation of Liquid Hydrocarbons from West Cameron Block WC 485 Offshore 	Contingent/ unliquidated

<u>POC No.</u>	<u>Contract</u>	<u>Total Claim Amount</u>
	Louisiana	
95	<ul style="list-style-type: none"> Facilities Interconnect and Reimbursement Agreement dated April 14, 2015 between Sea Robin and Fieldwood Energy LLC for Gas Sales Meter Replacement, M &R 80261, Ship Shoal Block 274 Production, Offshore Louisiana 	Contingent/unliquidated
98	<ul style="list-style-type: none"> Stingray Pipeline Company Transportation Rate Schedule ITS Agreement dated October 23, 1996 under Subpart G of Part 284 of the FERC's Regulations, Contract No. 103047 	Contingent/unliquidated

7. As noted above, due to the number of Energy Transfer Contracts and duplicate entries of many of those contracts contained in the Schedules, coupled with the vague descriptions offered therein, Energy Transfer is unable to confirm whether any of the contracts referenced in the table above are being assumed or assumed and assigned. To the extent any are, regardless of whether they are included in or inadvertently omitted from the Schedules, Energy Transfer objects to the Debtors' assumption or assumption and assignment of those contracts unless and until the Debtors fully satisfy the cure amounts. Energy Transfer intends to work with the Debtors on the reconciliation process and expressly reserves the right to amend or supplement this Objection pending the reconciliation.

8. Energy Transfer also hereby expressly reserves the right to raise objections related to the Debtors' or Credit Bid Purchaser's ability to provide adequate assurance of future performance following completion of the reconciliation process.

Dated: June 4, 2021

Respectfully submitted,

/s/ Yelena Archiyan

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COUNSEL FOR ENERGY TRANSFER

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing objection was served electronically via the Court's Electronic Case Filing (ECF) System on June 4, 2021.

/s/ Yelena Archiyan

Yelena Archiyan